IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK

GLAXO GROUP LIMITED	: : :	
Plaintiff,	: : : 2007 Civ. 6012 (R	JH)
v. CYPRESS PHARMACEUTICAL, INC.	: REPLY TO : COUNTERCLAI	ΙM
Defendant.	: : :	
	X	

Plaintiff Glaxo Group Limited, for its Reply to the numbered paragraphs of defendant Cypress Pharmaceutical, Inc.'s Counterclaim, responds as follows:

- 1. Admitted.
- 2. Admitted.
- 3. Admitted.

THE PARTIES

- 4. Plaintiff Glaxo Group Limited ("Glaxo") admits that defendant Cypress Pharmaceutical, Inc. ("Cypress") is a Mississippi corporation that applied for, and was granted, authorization to do business in New York. Glaxo is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations in paragraph 4 of the Counterclaim and, therefore, denies them.
 - 5. Admitted.

FIRST COUNTERCLAIM

- 6. Glaxo repeats and realleges the responses of paragraphs 1-5 as if set forth fully herein.
 - 7. Admitted.
 - 8. Admitted.
 - Admitted. 9.
 - 10. Denied.
 - 11. Denied.
 - 12. Denied.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff Glaxo prays for a Judgment:

- A. Glaxo denies that defendant Cypress is entitled to the relief requested in paragraphs A - C of the prayer for relief in its Counterclaim; and
- B. Glaxo repeats and re-alleges its prayer for relief contained in paragraphs A – D of its June 25, 2007, Complaint in this action.

Dated: August 6, 2007 MORGAN LEWIS & BOCKIUS LLP

/s/ Thomas J. Puppa

Brian P. Murphy (BM-5162) David Leichtman (DL-7233) Thomas J. Puppa (TP-7161) 101 Park Avenue New York, New York 10178-0060 (212) 309-6000 (212) 309-6001 (facsimile)

Attorneys for Plaintiff Glaxo Group Limited

1-NY/2207933.1